

Estate Tax Return**For Assistance**

If you have questions, please call one of the following help numbers:

Phoenix	(602) 542-4643
Nationwide, toll-free	(800) 352-4090
Form orders	(602) 542-4260
Forms by Fax	(602) 542-3756
Recorded Tax Information	
Phoenix	(602) 542-1991
Other Arizona areas, toll-free	(800) 845-8192
Hearing impaired TDD user	
Phoenix	(602) 542-4021
Other Arizona areas, toll-free	(800) 397-0256

You may also visit our web site at:
www.revenue.state.az.us

Who Must File

Form 76 must be filed for the estate of every Arizona resident decedent whose date of death is on or after January 1, 1980, if a federal estate tax return (Form 706) is required to be filed.

Form 76 must be filed for the estate of every nonresident decedent whose date of death is on or after January 1, 1980, if the decedent had real property and/or tangible personal property located in Arizona and a federal estate tax return (Form 706) is required to be filed.

When To File

The return is due on the due date of the federal estate tax return. An extension of time for filing the Arizona estate tax return may be obtained automatically if the federal due date is extended.

File Form 76 with:

Estate Tax Unit
Arizona Department of Revenue
1600 W Monroe
Room 610
Phoenix AZ 85007-2650

Attach a copy of the federal estate tax return and copies of all documents filed with the federal estate tax return to the Arizona return.

Payment of Tax

The Arizona estate tax is due on the due date of the federal estate tax return, unless an extension of time for payment has been granted, or unless an election is made under ARS Section 42-1504 to pay in installments. The Arizona election can **only** be made if an installment election has been made under Section 6166 of the Internal Revenue Code.

Waiver of Tax Lien

When the personal representative furnishes the department with a copy of the *Internal Revenue Service Closing Letter*, the department will issue a waiver of tax lien. The department will issue the waiver only after the Arizona estate tax and any penalties and interest have been paid. If an estate requires a waiver to complete certain transactions prior to receiving the *Internal Revenue Service Closing Letter*, the department may issue a partial waiver upon the personal representative's written request.

Penalties and Interest**Late Filing Penalty**

The late filing penalty is 5 percent of the tax remaining due for each month or fraction of a month the return is late. This penalty cannot exceed 25 percent of the tax remaining due.

Late Payment Penalty

The department imposes a late payment penalty if the Arizona estate tax is not paid by the time prescribed for its payment. The late payment penalty is 10 percent of the tax not paid within the time prescribed for its payment.

NOTE: *The maximum combined late filing and late payment penalties cannot exceed 25 percent of the tax remaining due.*

Interest

The department charges interest on any tax not paid by the original due date even if a filing or payment extension has been granted. The Arizona rate of interest is the same as the federal rate. Contact one of the help numbers listed above for the applicable interest rate.

Changes in Federal Return or Federal Estate Tax

The Department of Revenue must be notified immediately if a federal estate tax return is amended or a federal estate tax is adjusted as a result of a federal estate tax audit, tax refund claim, or for any other reason.

Computation of Tax**Resident Decedent****Line 1 -**

Enter the maximum state death tax credit allowable for federal estate tax purposes.

Line 2 -

Enter the total estate or inheritance tax actually paid to other states. The department requires proof of payment.

Line 3 -

Enter the gross value of real property and/or tangible personal property located in other states.

Line 4 -

Enter the gross value of the estate for federal estate tax purposes.

Line 5 -

Divide the amount on line 3 by the amount on line 4. Enter the result.

Line 6 -

Multiply the amount on line 1 by the percentage on line 5. Enter the result.

Line 7 -

Enter the smaller of the amount on line 2 or the amount on line 6.

Line 8 -

Subtract the amount on line 7 from the amount on line 1. Enter the result. This is the estate tax payable to Arizona.

Line 9 -

Enter the amount of any prior tax payment or payments. Also attach a schedule of the date(s) and amount of prior payment(s).

Line 10 -

If line 8 is more than line 9, subtract line 9 from line 8. Enter the balance of tax due. If line 9 is more than line 8, subtract line 8 from line 9. Enter the amount of overpayment.

Line 11 -

Calculate any penalty and interest due as a result of late filing or late payment of tax. See "Penalties and Interest" section of instructions.

Nonresident Decedent

Line 14 -

Enter the maximum state death tax credit allowable for federal estate tax purposes.

Line 15 -

Enter the gross value of real property and/or tangible personal property located in Arizona. Also attach a schedule of Arizona property or identify the Arizona property on the federal Form 706 attached to your return.

Line 16 -

Enter the gross value of the estate for federal estate tax purposes.

Line 17 -

Divide the amount on line 15 by the amount on line 16.

Line 18 -

Multiply the amount on line 14 by the percentage on line 17. This is the estate tax payable to Arizona.

Line 19 -

Enter the amount of any prior tax payment or payments. Also attach a schedule of the date(s) and amount of prior payment(s).

Line 20 -

If line 18 is more than line 19, subtract line 19 from line 18. Enter the balance of tax due. If line 19 is more than line 18, subtract line 18 from line 19. Enter the amount of overpayment.

Line 21 -

Calculate any penalty and interest due as a result of late filing or late payment of tax. See "Penalties and Interest" section of instructions.